

IN THE CLAIMS

For the convenience of the Examiner, all pending claims are provided whether or not an amendment has been made. Please amend the claims as indicated below:

1. (Amended) A computer-implemented method of valuing products, comprising [the steps of]:

[identifying a set of product components;

designing a set of products from said components;]

assigning a price to each [said product] of a plurality of products, each product comprising one or more product components;

assigning a demand probability value[s, such that a probability value is associated with] to each [of said] product[s];

calculating a component value[s, such that a component value is obtained] for each [of said] component[s,] by performing the following steps:

(a) assuming a beginning value for each [of said] component[s];

(b) for a first [said] component, calculating prorated values, such that for each product[s] using that component, a prorated value is calculated on that component by calculating the difference between the product price and a value of the product's other components;

(c) calculating a component value as a function of [said] the prorated values and [said] the probability values;

(d) repeating steps (b) and (c) for all [said] other components;

(e) determining whether [said] the component values converge; and

(f) if any component value does not converge, using the calculated component value[s] as the beginning component value and repeating [said] steps (b) through (e) for that component; and

calculating a value for each **[said]** product, based on the results of the preceding step, by **[adding]** **summing** the component values of **[each]** **all** components of that product.

2. **(Amended)** The method of Claim 1, wherein step **(c)** **[(d)]** is performed by multiplying **[a]** probability values **[times]** **by** prorated values.

3. **(Amended)** The method of Claim 1, wherein step **(c)** **[(d)]** is performed by obtaining a sum of products of probability values and prorated values.

Q' 4. **(Amended)** The method of Claim 1, wherein **[said]** **the** probability values include both the probability of demand for a product and the probability that demand will arrive in a certain order **[vis a vis]** **relative to** other products.

5. **(Amended)** The method of Claim 1, wherein **[said]** **the** method is performed to value non-standard products and **[said]** assigning **prices to products** **[step]** is performed by assigning prices of standard products.

6. **(Amended)** A computer-implemented method of pricing an order for a product based on varying lead times during a specified time period, comprising **[the steps of]**:

calculating a set of values for **[said]** **a** product over a range of available supplies of **[said]** **the** product;

determining a size Q of **[said]** **the** order;

selecting a set of order points during **a** **[said]** time horizon, each **[said]** order point having a lead time LT to the next order point;

for a first order point, calculating an incremental production quantity as Q/LT , and calculating revenue displaced by **[said] the** incremental production quantity using **[said set of] the** product values;

repeating **[said calculating] the preceding** step for each **[said] other** order point; calculating an average displaced revenue; and calculating the price for **[said] the** order, using the results of the preceding step.

7. **(Amended)** The method of Claim 6, wherein:
[said] the product has multiple components; and
the method further [comprising] **comprises [the steps of]** repeating all steps for each component and **[adding] summing** the results.

8. **(Amended)** The method of Claim 7, wherein **[said set of minimum acceptable values is calculated by] calculating the price for the order comprises:**

- (a) assuming a beginning value for each **[of said] component[s]**;
- (b) for a first **[said]** component, calculating prorated values, such that for each product using that component, a prorated value is calculated on that component by calculating the difference between the product price and a value of the product's other components;
- (c) calculating a component value as a function of **[said] the** prorated values and **[said] the** probability values;
- (d) repeating steps (b) and (c) for all **[said] other** components;
- (e) determining whether **[said] the** component values converge; **[and]**
- (f) if any component value does not converge, using the calculated component value[s] as the beginning component value and repeating said steps (b) through (e) for that component; and
- (g) **[adding] summing** the values of **[each] all the** components.

9. (Amended) The method of Claim 6, wherein [said] the displaced revenue is calculated by integrating a curve representing [said] the set of product values.

10. (Amended) The method of Claim 6, wherein [said] the displaced revenue is calculated as the difference between a total potential revenue, determined [by said] from the product values for all available supplies S, and the total potential revenue for S - Q.

11. (Amended) A computer-implemented method of pricing make-to-order products, comprising [the steps of]:

a [designing a set of products, each having an associated delivery time and price;]

assigning a demand probability value to each of [said products] a plurality of products, each product having an associated delivery time and price;

calculating an expected revenue from [said] the products for at least two available capacities, [said] the expected revenue being a function of [said] the demand probability values and [said] the prices; and

calculating an asking price for each of [said] the products as the difference between its expected revenue from successive available capacities.


12. (Amended) The method of Claim 11, wherein [said] the expected revenue is calculated as a sum of products of [said] the probability values and [said] the prices.

13. (Amended) The method of Claim 11, wherein [said] the expected revenue is calculated from a binary tree representing [said] the probability values and [said] the prices.

14. (Amended) The method of Claim 11, wherein **[said] the** expected revenue is calculated for each product **[in accordance]** in response to a product control policy.

15. (Amended) The method of Claim 11, further comprising **[the step of]** comparing **[said] the** asking price for different products at a given capacity.

16. (Amended) **[A computer-implemented tool] Valuation software** for valuing manufactured products[, comprising] **embodied in a computer-readable medium and operable to perform the following steps:**

 **[means for designing a set of products, each said product having one or more components; and]**

assigning a price to each of a plurality of products, each product comprising one or more product components;

assigning a demand probability value to each product;

[means for calculating values of said products by assigning demand probability values, such that a probability value is associated with each of said products; then by] calculating a component value[s, such that a component value is obtained] for each [of said] component[s,] by performing the following steps:

(a) assuming a beginning value for each **[of said] component[s];**

(b) for a first **[said] component**, calculating prorated values, such that for each product using that component, a prorated value is calculated on that component by calculating the difference between the product price and a value of the product's other components;

(c) calculating a component value as a function of **[said] the** prorated values and **[said] the** probability values;

(d) repeating steps (b) and (c) for all **[said] other** components;

(e) determining whether **[said] the** component values converge;

(f) if any component value does not converge, using the calculated component value[s] as the beginning component value and repeating [said] steps (b) through (e) for that component; and [then by]

calculating a value for each [said] product, based on the results of the preceding step, by [adding] summing the component values of [each] all components of that product.

17. (Amended) The [method] valuation software of Claim 16, wherein [said means for designing provides] each [said] product [with] has an associated lead time and wherein [said means for calculating further uses] calculating a value for each product further comprises using the lead time values and [said] the component values to determine product values.

18. (Amended) The [method] valuation software of Claim 16, wherein [said means for designing provides] each [said] product [with] has an associated delivery time and wherein [said means for calculating further uses] calculating a value for each product comprises using the delivery time values and [said] the component values to determine product values.

19. (Amended) The [method] valuation software of Claim 16, further [comprising means for implementing a product control policy, and further comprising the step of using said] operable to use the product values to determine whether to accept orders for products.
